

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

RUBEN JUAREZ an individual and  
ISELA HERNANDEZ, an individual,  
Plaintiffs,  
v.  
PRECISION VALVE &  
AUTOMATION, INC., a corporation  
and DOES 1-20,  
Defendants.

) CASE NO. 2:17-cv-03342-ODW  
(GJSx)  
) [Los Angeles County Superior Court  
Case No. BC650229]  
) **STIPULATED PROTECTIVE  
ORDER**

## 1. A. PURPOSES AND LIMITATIONS

Discovery in this action is likely to involve production of confidential, proprietary or private information for which special protection from public disclosure and from use for any purpose other than prosecuting this litigation may be warranted. Accordingly, the parties hereby stipulate to and petition the Court to enter the following Stipulated Protective Order. The parties acknowledge that this Order does not confer blanket protections on all disclosures or responses to discovery and that the protection it affords from public disclosure and use extends only to

1 the limited information or items that are entitled to confidential treatment under  
2 the applicable legal principles.

3

4 **B. GOOD CAUSE STATEMENT**

5 This action involves the production of computer code, sensitive data  
6 regarding rocket propulsion, and other valuable technical and/or proprietary  
7 information for which special protection from public disclosure and from use for  
8 any purpose other than prosecution of this action is warranted. Such confidential  
9 and proprietary materials and information consist of, among other things,  
10 computer code, sensitive data regarding rocket propulsion and other valuable  
11 technical and/or proprietary information, or information which may be privileged  
12 or otherwise protected from disclosure under state or federal statutes, court rules,  
13 case decisions, or common law. Accordingly, to expedite the flow of information,  
14 to facilitate the prompt resolution of disputes over confidentiality of discovery  
15 materials, to adequately protect information the parties are entitled to keep  
16 confidential, to ensure that the parties are permitted reasonable necessary uses of  
17 such material in preparation for and in the conduct of trial, to address their  
18 handling at the end of the litigation, and serve the ends of justice, a protective  
19 order for such information is justified in this matter. It is the intent of the parties  
20 that information will not be designated as confidential for tactical reasons and that  
21 nothing be so designated without a good faith belief that it has been maintained in  
22 a confidential, non-public manner, and there is good cause why it should not be  
23 part of the public record of this case.

24

25 **C. ACKNOWLEDGMENT OF PROCEDURE FOR FILING UNDER SEAL**

26 The parties further acknowledge, as set forth in Section 12.3, below, that this  
27 Stipulated Protective Order does not entitle them to file confidential information  
28 under seal; Local Civil Rule 79-5 sets forth the procedures that must be followed

1 and the standards that will be applied when a party seeks permission from the  
2 court to file material under seal.

3 There is a strong presumption that the public has a right of access to  
4 judicial proceedings and records in civil cases. In connection with non-  
5 dispositive motions, good cause must be shown to support a filing under seal. *See*  
6 *Kamakana v. City and County of Honolulu*, 447 F.3d 1172, 1176 (9th Cir. 2006),  
7 *Phillips v. Gen. Motors Corp.*, 307 F.3d 1206, 1210-11 (9th Cir. 2002), *Makar-*  
8 *Welbon v. Sony Electrics, Inc.*, 187 F.R.D. 576, 577 (E.D. Wis. 1999) (even  
9 stipulated protective orders require good cause showing), and a specific showing  
10 of good cause or compelling reasons with proper evidentiary support and legal  
11 justification, must be made with respect to Protected Material that a party seeks to  
12 file under seal. The parties' mere designation of Disclosure or Discovery Material  
13 as CONFIDENTIAL does not—without the submission of competent evidence by  
14 declaration, establishing that the material sought to be filed under seal qualifies as  
15 confidential, privileged, or otherwise protectable—constitute good cause.

16 Further, if a party requests sealing related to a dispositive motion or trial,  
17 then compelling reasons, not only good cause, for the sealing must be shown, and  
18 the relief sought shall be narrowly tailored to serve the specific interest to be  
19 protected. *See Pintos v. Pacific Creditors Ass'n*, 605 F.3d 665, 677-79 (9th Cir.  
20 2010). For each item or type of information, document, or thing sought to be filed  
21 or introduced under seal in connection with a dispositive motion or trial, the party  
22 seeking protection must articulate compelling reasons, supported by specific facts  
23 and legal justification, for the requested sealing order. Again, competent evidence  
24 supporting the application to file documents under seal must be provided by  
25 declaration.

26 Any document that is not confidential, privileged, or otherwise protectable  
27 in its entirety will not be filed under seal if the confidential portions can be  
28 redacted. If documents can be redacted, then a redacted version for public

1 viewing, omitting only the confidential, privileged, or otherwise protectable  
2 portions of the document, shall be filed. Any application that seeks to file  
3 documents under seal in their entirety should include an explanation of why  
4 redaction is not feasible.

5

6 2. **DEFINITIONS**

7 2.1 **Action**: this pending federal lawsuit.

8 2.2 **Challenging Party**: a Party or Non-Party that challenges the  
9 designation of information or items under this Order.

10 2.3 **“CONFIDENTIAL” Information or Items**: information (regardless  
11 of how it is generated, stored or maintained) or tangible things that qualify for  
12 protection under Federal Rule of Civil Procedure 26(c), and as specified above in  
13 the Good Cause Statement.

14 2.4 **Counsel**: Outside Counsel of Record and House Counsel (as well as  
15 their support staff).

16 2.5 **Designating Party**: a Party or Non-Party that designates information  
17 or items that it produces in disclosures or in responses to discovery as  
18 “CONFIDENTIAL.”

19 2.6 **Disclosure or Discovery Material**: all items or information,  
20 regardless of the medium or manner in which it is generated, stored, or maintained  
21 (including, among other things, testimony, transcripts, and tangible things), that  
22 are produced or generated in disclosures or responses to discovery in this matter.

23 2.7 **Expert**: a person with specialized knowledge or experience in a  
24 matter pertinent to the litigation who has been retained by a Party or its counsel to  
25 serve as an expert witness or as a consultant in this Action.

26 2.8 **House Counsel**: attorneys who are employees of a party to this  
27 Action. House Counsel does not include Outside Counsel of Record or any other  
28 outside counsel.

1           2.9 Non-Party: any natural person, partnership, corporation, association  
2 or other legal entity not named as a Party to this action.

3           2.10 Outside Counsel of Record: attorneys who are not employees of a  
4 party to this Action but are retained to represent or advise a party to this Action  
5 and have appeared in this Action on behalf of that party or are affiliated with a  
6 law firm that has appeared on behalf of that party, and includes support staff.

7           2.11 Party: any party to this Action, including all of its officers, directors,  
8 employees, consultants, retained experts, and Outside Counsel of Record (and  
9 their support staffs).

10           2.12 Producing Party: a Party or Non-Party that produces Disclosure or  
11 Discovery Material in this Action.

12           2.13 Professional Vendors: persons or entities that provide litigation  
13 support services (e.g., photocopying, videotaping, translating, preparing exhibits  
14 or demonstrations, and organizing, storing, or retrieving data in any form or  
15 medium) and their employees and subcontractors.

16           2.14 Protected Material: any Disclosure or Discovery Material that is  
17 designated as “CONFIDENTIAL.”

18           2.15 Receiving Party: a Party that receives Disclosure or Discovery  
19 Material from a Producing Party.

20  
21           3. SCOPE

22           The protections conferred by this Stipulation and Order cover not only  
23 Protected Material (as defined above), but also (1) any information copied or  
24 extracted from Protected Material; (2) all copies, excerpts, summaries, or  
25 compilations of Protected Material; and (3) any testimony, conversations, or  
26 presentations by Parties or their Counsel that might reveal Protected Material.

27           Any use of Protected Material at trial shall be governed by the orders of the  
28 trial judge. This Order does not govern the use of Protected Material at trial.

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2     4. DURATION

3           Once a case proceeds to trial, information that was designated as  
4   CONFIDENTIAL or maintained pursuant to this protective order used or  
5   introduced as an exhibit at trial becomes public and will be presumptively  
6   available to all members of the public, including the press, unless compelling  
7   reasons supported by specific factual findings to proceed otherwise are made to  
8   the trial judge in advance of the trial. *See Kamakana*, 447 F.3d at 1180-81  
9   (distinguishing “good cause” showing for sealing documents produced in  
10   discovery from “compelling reasons” standard when merits-related documents are  
11   part of court record). Accordingly, the terms of this protective order do not  
12   extend beyond the commencement of the trial.

13

14     5. DESIGNATING PROTECTED MATERIAL

15        5.1 Exercise of Restraint and Care in Designating Material for  
16   Protection. Each Party or Non-Party that designates information or items for  
17   protection under this Order must take care to limit any such designation to  
18   specific material that qualifies under the appropriate standards. The Designating  
19   Party must designate for protection only those parts of material, documents, items  
20   or oral or written communications that qualify so that other portions of the  
21   material, documents, items or communications for which protection is not  
22   warranted are not swept unjustifiably within the ambit of this Order.

23           Mass, indiscriminate or routinized designations are prohibited.  
24   Designations that are shown to be clearly unjustified or that have been made for  
25   an improper purpose (e.g., to unnecessarily encumber the case development  
26   process or to impose unnecessary expenses and burdens on other parties) may  
27   expose the Designating Party to sanctions.

1           If it comes to a Designating Party's attention that information or items that  
2 it designated for protection do not qualify for protection, that Designating Party  
3 must promptly notify all other Parties that it is withdrawing the inapplicable  
4 designation.

5           5.2    Manner and Timing of Designations. Except as otherwise provided  
6 in this Order (see, e.g., second paragraph of section 5.2(a) below), or as otherwise  
7 stipulated or ordered, Disclosure or Discovery Material that qualifies for  
8 protection under this Order must be clearly so designated before the material is  
9 disclosed or produced.

10           Designation in conformity with this Order requires:

11           (a) for information in documentary form (e.g., paper or electronic  
12 documents, but excluding transcripts of depositions or other pretrial or trial  
13 proceedings), that the Producing Party affix at a minimum, the legend  
14 “CONFIDENTIAL” (hereinafter “CONFIDENTIAL legend”), to each page that  
15 contains protected material. If only a portion of the material on a page qualifies  
16 for protection, the Producing Party also must clearly identify the protected  
17 portion(s) (e.g., by making appropriate markings in the margins).

18           A Party or Non-Party that makes original documents available for  
19 inspection need not designate them for protection until after the inspecting Party  
20 has indicated which documents it would like copied and produced. During the  
21 inspection and before the designation, all of the material made available for  
22 inspection shall be deemed “CONFIDENTIAL.” After the inspecting Party has  
23 identified the documents it wants copied and produced, the Producing Party must  
24 determine which documents, or portions thereof, qualify for protection under this  
25 Order. Then, before producing the specified documents, the Producing Party  
26 must affix the “CONFIDENTIAL legend” to each page that contains Protected  
27 Material. If only a portion of the material on a page qualifies for protection, the  
28

1 Producing Party also must clearly identify the protected portion(s) (e.g., by  
2 making appropriate markings in the margins).

3 (b) for testimony given in depositions that the Designating Party identifies  
4 the Disclosure or Discovery Material on the record, before the close of the  
5 deposition all protected testimony.

6 (c) for information produced in some form other than documentary and for  
7 any other tangible items, that the Producing Party affix in a prominent place on  
8 the exterior of the container or containers in which the information is stored the  
9 legend "CONFIDENTIAL." If only a portion or portions of the information  
10 warrants protection, the Producing Party, to the extent practicable, shall identify  
11 the protected portion(s).

12 5.3 Inadvertent Failures to Designate. If timely corrected, an inadvertent  
13 failure to designate qualified information or items does not, standing alone, waive  
14 the Designating Party's right to secure protection under this Order for such  
15 material. Upon timely correction of a designation, the Receiving Party must make  
16 reasonable efforts to assure that the material is treated in accordance with the  
17 provisions of this Order.

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19 6. CHALLENGING CONFIDENTIALITY DESIGNATIONS

20 6.1 Timing of Challenges. Any Party or Non-Party may challenge a  
21 designation of confidentiality at any time that is consistent with the Court's  
22 Scheduling Order.

23 6.2 Meet and Confer. The Challenging Party shall initiate the dispute  
24 resolution process under Local Rule 37.1 et seq.

25 6.3 The burden of persuasion in any such challenge proceeding shall be  
26 on the Designating Party. Frivolous challenges, and those made for an improper  
27 purpose (e.g., to harass or impose unnecessary expenses and burdens on other  
28 parties) may expose the Challenging Party to sanctions. Unless the Designating

1 Party has waived or withdrawn the confidentiality designation, all parties shall  
2 continue to afford the material in question the level of protection to which it is  
3 entitled under the Producing Party's designation until the Court rules on the  
4 challenge.

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6 7. ACCESS TO AND USE OF PROTECTED MATERIAL

7 7.1 Basic Principles. A Receiving Party may use Protected Material that  
8 is disclosed or produced by another Party or by a Non-Party in connection with  
9 this Action only for prosecuting, defending or attempting to settle this Action.  
10 Such Protected Material may be disclosed only to the categories of persons and  
11 under the conditions described in this Order. When the Action has been  
12 terminated, a Receiving Party must comply with the provisions of section 13  
13 below (FINAL DISPOSITION).

14 Protected Material must be stored and maintained by a Receiving Party at a  
15 location and in a secure manner that ensures that access is limited to the persons  
16 authorized under this Order.

17 7.2 Disclosure of “CONFIDENTIAL” Information or Items. Unless  
18 otherwise ordered by the court or permitted in writing by the Designating Party, a  
19 Receiving Party may disclose any information or item designated  
20 “CONFIDENTIAL” only to:

21 (a) the Receiving Party's Outside Counsel of Record in this Action, as well  
22 as employees of said Outside Counsel of Record to whom it is reasonably  
23 necessary to disclose the information for this Action;

24 (b) the officers, directors, and employees (including House Counsel) of the  
25 Receiving Party to whom disclosure is reasonably necessary for this Action;

26 (c) Experts (as defined in this Order) of the Receiving Party to whom  
27 disclosure is reasonably necessary for this Action and who have signed the  
28 “Acknowledgment and Agreement to Be Bound” (Exhibit A);

1 (d) the court and its personnel;  
2 (e) court reporters and their staff;  
3 (f) professional jury or trial consultants, mock jurors, and Professional  
4 Vendors to whom disclosure is reasonably necessary for this Action and who have  
5 signed the “Acknowledgment and Agreement to Be Bound” (Exhibit A);  
6 (g) the author or recipient of a document containing the information or a  
7 custodian or other person who otherwise possessed or knew the information;  
8 (h) during their depositions, witnesses, and attorneys for witnesses, in the  
9 Action to whom disclosure is reasonably necessary provided: (1) the deposing  
10 party requests that the witness sign the form attached as Exhibit 1 hereto; and (2)  
11 they will not be permitted to keep any confidential information unless they sign  
12 the “Acknowledgment and Agreement to Be Bound” (Exhibit A), unless  
13 otherwise agreed by the Designating Party or ordered by the court. Pages of  
14 transcribed deposition testimony or exhibits to depositions that reveal Protected  
15 Material may be separately bound by the court reporter and may not be disclosed  
16 to anyone except as permitted under this Stipulated Protective Order; and  
17 (i) any mediator or settlement officer, and their supporting personnel,  
18 mutually agreed upon by any of the parties engaged in settlement discussions.

20 8. PROTECTED MATERIAL SUBPOENAED OR ORDERED PRODUCED  
21 IN OTHER LITIGATION

22 If a Party is served with a subpoena or a court order issued in other  
23 litigation that compels disclosure of any information or items designated in this  
24 Action as “CONFIDENTIAL,” that Party must:

27 (b) promptly notify in writing the party who caused the subpoena or order  
28 to issue in the other litigation that some or all of the material covered by the

1 subpoena or order is subject to this Protective Order. Such notification shall  
2 include a copy of this Stipulated Protective Order; and

3 (c) cooperate with respect to all reasonable procedures sought to be  
4 pursued by the Designating Party whose Protected Material may be affected.

5 If the Designating Party timely seeks a protective order, the Party served  
6 with the subpoena or court order shall not produce any information designated in  
7 this action as “CONFIDENTIAL” before a determination by the court from which  
8 the subpoena or order issued, unless the Party has obtained the Designating  
9 Party’s permission. The Designating Party shall bear the burden and expense of  
10 seeking protection in that court of its confidential material and nothing in these  
11 provisions should be construed as authorizing or encouraging a Receiving Party in  
12 this Action to disobey a lawful directive from another court.

13

14 9. **A NON-PARTY’S PROTECTED MATERIAL SOUGHT TO BE**  
15 **PRODUCED IN THIS LITIGATION**

16 (a) The terms of this Order are applicable to information produced by a  
17 Non-Party in this Action and designated as “CONFIDENTIAL.” Such  
18 information produced by Non-Parties in connection with this litigation is  
19 protected by the remedies and relief provided by this Order. Nothing in these  
20 provisions should be construed as prohibiting a Non-Party from seeking  
21 additional protections.

22 (b) In the event that a Party is required, by a valid discovery request, to  
23 produce a Non-Party’s confidential information in its possession, and the Party is  
24 subject to an agreement with the Non-Party not to produce the Non-Party’s  
25 confidential information, then the Party shall:

26 (1) promptly notify in writing the Requesting Party and the Non-Party that  
27 some or all of the information requested is subject to a confidentiality agreement  
28 with a Non-Party;

(2) promptly provide the Non-Party with a copy of the Stipulated Protective Order in this Action, the relevant discovery request(s), and a reasonably specific description of the information requested; and

(3) make the information requested available for inspection by the Non-Party, if requested.

(c) If the Non-Party fails to seek a protective order from this court within 14 days of receiving the notice and accompanying information, the Receiving Party may produce the Non-Party's confidential information responsive to the discovery request. If the Non-Party timely seeks a protective order, the Receiving Party shall not produce any information in its possession or control that is subject to the confidentiality agreement with the Non-Party before a determination by the court. Absent a court order to the contrary, the Non-Party shall bear the burden and expense of seeking protection in this court of its Protected Material.

## 10. UNAUTHORIZED DISCLOSURE OF PROTECTED MATERIAL

If a Receiving Party learns that, by inadvertence or otherwise, it has disclosed Protected Material to any person or in any circumstance not authorized under this Stipulated Protective Order, the Receiving Party must immediately (a) notify in writing the Designating Party of the unauthorized disclosures, (b) use its best efforts to retrieve all unauthorized copies of the Protected Material, (c) inform the person or persons to whom unauthorized disclosures were made of all the terms of this Order, and (d) request such person or persons to execute the “Acknowledgment and Agreement to Be Bound” that is attached hereto as Exhibit A.

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1       11. INADVERTENT PRODUCTION OF PRIVILEGED OR OTHERWISE  
2       PROTECTED MATERIAL

3       When a Producing Party gives notice to Receiving Parties that certain  
4       inadvertently produced material is subject to a claim of privilege or other  
5       protection, the obligations of the Receiving Parties are those set forth in Federal  
6       Rule of Civil Procedure 26(b)(5)(B). This provision is not intended to modify  
7       whatever procedure may be established in an e-discovery order that provides for  
8       production without prior privilege review. Pursuant to Federal Rule of Evidence  
9       502(d) and (e), insofar as the parties reach an agreement on the effect of  
10      disclosure of a communication or information covered by the attorney-client  
11      privilege or work product protection, the parties may incorporate their agreement  
12      in the stipulated protective order submitted to the court.

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14       12. MISCELLANEOUS

15       12.1 Right to Further Relief. Nothing in this Order abridges the right of  
16       any person to seek its modification by the Court in the future.

17       12.2 Right to Assert Other Objections. By stipulating to the entry of this  
18       Protective Order, no Party waives any right it otherwise would have to object to  
19       disclosing or producing any information or item on any ground not addressed in  
20       this Stipulated Protective Order. Similarly, no Party waives any right to object on  
21       any ground to use in evidence of any of the material covered by this Protective  
22       Order.

23       12.3 Filing Protected Material. A Party that seeks to file under seal any  
24       Protected Material must comply with Local Civil Rule 79-5. Protected Material  
25       may only be filed under seal pursuant to a court order authorizing the sealing of  
26       the specific Protected Material at issue. If a Party's request to file Protected  
27       Material under seal is denied by the court, then the Receiving Party may file the  
28       information in the public record unless otherwise instructed by the court.

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2     13. FINAL DISPOSITION

3           After the final disposition of this Action, as defined in paragraph 4, within  
4 60 days of a written request by the Designating Party, each Receiving Party must  
5 return all Protected Material to the Producing Party or destroy such material. As  
6 used in this subdivision, “all Protected Material” includes all copies, abstracts,  
7 compilations, summaries, and any other format reproducing or capturing any of  
8 the Protected Material. Whether the Protected Material is returned or destroyed,  
9 the Receiving Party must submit a written certification to the Producing Party  
10 (and, if not the same person or entity, to the Designating Party) by the 60 day  
11 deadline that (1) identifies (by category, where appropriate) all the Protected  
12 Material that was returned or destroyed and (2) affirms that the Receiving Party  
13 has not retained any copies, abstracts, compilations, summaries or any other  
14 format reproducing or capturing any of the Protected Material. Notwithstanding  
15 this provision, Counsel are entitled to retain an archival copy of all pleadings,  
16 motion papers, trial, deposition, and hearing transcripts, deposition and trial  
17 exhibits, expert reports, even if such materials contain Protected Material. Any  
18 such archival copies that contain or constitute Protected Material remain subject  
19 to this Protective Order subject to the duration limitation set forth in Paragraph 4.  
20 The parties agree that they are contractually bound to protect Confidential  
21 Information in accordance with the terms of this Protective Order even after final  
22 disposition of the case.

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## 14. VIOLATION

Any violation of this Order may be punished by appropriate measures including, without limitation, contempt proceedings and/or monetary sanctions.

IT IS SO STIPULATED, THROUGH COUNSEL OF RECORD.

DATED: December 15, 2017

## LAW OFFICES OF TERESA LI, PC

/s/

Teresa Li, Esq., Attorneys for Plaintiffs

Ruben Juarez and Isela Hernandez

DATED: December 15, 2017

## BECHERER, KANNETT & SCHWEITZER

/s/

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Alex P. Catalona, Esq., Attorneys for  
Defendant Precision Valve & Automation, Inc.

FOR GOOD CAUSE SHOWN, IT IS SO ORDERED.

DATED: December 18, 2017



**GAIL J. STANDISH  
UNITED STATES MAGISTRATE JUDGE**

HIBIT A

I, \_\_\_\_\_ [print or type full name], of \_\_\_\_\_ [print or type full address], declare under penalty of perjury that I have read in its entirety and understand the Stipulated Protective Order that was issued by the United States District Court for the Central District of California on December 18, 2017 in the case of *Ruben Juarez, et. al., v. Precision Valve and Automation, Inc.*, CV 17-03342-ODW (GJSx). I agree to comply with and to be bound by all the terms of this Stipulated Protective Order and I understand and acknowledge that failure to so comply could expose me to sanctions and punishment in the nature of contempt. I solemnly promise that I will not disclose in any manner any information or item that is subject to this Stipulated Protective Order to any person or entity except in strict compliance with the provisions of this Order.

I further agree to submit to the jurisdiction of the United States District Court for the Central District of California for enforcing the terms of this Stipulated Protective Order, even if such enforcement proceedings occur after termination of this action. I hereby appoint \_\_\_\_\_ [print or type full name] of \_\_\_\_\_ [print or type full address and telephone number] as my California agent for service of process in connection with this action or any proceedings related to enforcement of this Stipulated Protective Order.

Date: \_\_\_\_\_

City and State where sworn and signed:

Printed name:

Signature: